



Higher Education Committee Testimony from Leo Canty AFTCT

Good Afternoon. Thank you for this opportunity to offer comments regarding the future of the UConn Health Center and the potential corporate takeover of the John Dempsey Hospital. My name is Leo Canty and I am Second Vice President of AFT Connecticut, AFT, AFL-CIO. We are a 28,000 member union of educators, public service workers and health professionals who give their all to help the people of our state live, learn and enjoy better lives. I have a long proud history of support for the Health Center. I began work there in 1973 – while the John Dempsey Hospital was still under construction. I was there 2 years later on opening day when Governor Ella Grasso cut the ribbon and gave her speech proudly citing innovation, commitment and excellence of our state owned and operated medical and dental school and all of the prospects for this state-of-the art medical facility. I had a number of chances over the years to chat with Governor Dempsey about his vision and dreams for the Health Center and to hear his excitement about the next phase of the original plan – the construction of the second wing of the hospital.

Since the dawn of the UConn Health Center concept the vision included a facility that could adequately support financially and with clinical example the education program of the medical and Dental school. A solely owned operation that allowed for all decisions to be made to fulfill the mission, focus and operation of Connecticut's only state owned medical and dental school and hospital. In doing this the hospital would then become a place for learning innovation and servicing the needs of the people in the state. And today much of that mission is still fully realized.

Unfortunately – over the 30 plus years of UConn's existence, the vision of excellence and public support for a premiere, stellar performing institution has become clouded. Finances have been questioned and the competitive health care environment has taken its toll on the institutions ability to keep up. The focus has been mutated drawing energy and resources from support of education excellence to becoming a better competitor in a raw meat fight of the health care industry. That's sad – something I'd wager, neither John Dempsey or Ella Grasso would like to have seen happen. And because of the shift in economic focus and ramped up competition for paying customers to fill beds – UConn Health Center has become a victim of a collective pall on the vision of our health education leader.

Without the vision, without the resources, with questioned commitment of the state to do state things, alternatives are being pursued with a bit of creativity and innovative thinking. One of the alternatives is being presented comes in the guise of a partnership with Hartford Health Care Corporation. We applaud the efforts of UConn Health Center and Hartford Health Care Corporation representatives to fashion a plan that they think would work for them. But after review of the deal, that was hatched in secret over a very short time frame, it has become apparent to us that it won't work for all the stake holders – students, patients, staff and the state of Connecticut.

In particular – the plan provides for a wholesale corporate takeover of John Dempsey hospital by Hartford Health Care Corporation. No muss, no fuss, simple redistribution of lots of state assets, currently 100% in state control to a private Corporation. Yes HHCC is a 501©3 non profit – but when your corporate book of business as a non profit heads up into the high millions you look, act, sound and make decisions much more like corporate America than the local soup kitchen.

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The power in the proposed governance structure places all authority of the workings of John Dempsey Hospital in the hands of Hartford Health Care Corporation. Yes there is some representation to be included – 2 new board members from UConn will be added to the 15 existing board. I currently serve on 12 non-profit boards. Boards vote on things and in all my years I've not seen 2 votes beat 15 in conflicts. Yes there are certain powers that are brought into the governance system by UConn but on paper, and as the sales job for the takeover is discussed the real power in the decision making dynamic will be glossed over and likely discounted.

The bottom line:

- It's overly complicated -adding 3 new boards to cover expansion of the system and new players and there are not any models or answers about how this one would really work – just suppositions and the sales force tells you more about what you want to hear rather than what will life will be like after you bought the product.

- It's costly – the state turns over huge assets to the corporation with a legal structure that makes it difficult and costly to change. A promise, without legal standing, that they want it to work is the consolation prize.

- It changes the focus and mission – again the promise is to support the academic mission but the corporation is concerned about the business – will business decisions override academic excellence. While UConn may be able to veto some things it doesn't mean they will have the votes to push a positive agenda in the corporate voting structure - especially if it takes resources to do the right thing.

- It's a secret – there is a veil of secrecy that covers any corporation for proprietary reasons. Over time the state contribution to the corporation will be in the billions and the taxpayers and legislators would not have the same access to details – We all know that many of the highest paid state employees work at UConn Health Center – but if they switch to become corporation employees – still using state funds we don't have that information easily available. This deal was negotiated in a cloud of secrecy – it was not an open process many of us still don't have the details that the people inside the deal have. It's scary to think that in an age where we need more transparency – especially in the big business of health care – we are reducing the watch.

- It's not ours anymore – The state – it's citizens, taxpayers, legislators, own and operate their health center. If the corporate takeover is allowed – we won't. We can be an economic development driver. We can serve the needs of the community. We can provide expanding excellent education for doctors and dentists. We can fill the need for care that the corporations want to shove off to other entities.

We don't need a complicated potentially unresponsive takeover to do what is needed to own and operate Connecticut's only medical/dental school and hospital. We didn't even consider giving away any part of the UConn campus to a corporate entity to save costs. We built our own university and we operate it. And we're proud of the outcome. If health care was college basketball we'd be just as proud of our UConn Health Center team for all the gains they have won. It's not and we have gone so far as to treat the Health Center like it's a burden rather than an asset.

I referenced the pride and commitment of Governors Dempsey and Grasso – they had a vision for the state and our ability to provide excellent services – they were on the spot – they knew how it could and should work. I am among the few remaining people with the lifelong connection to the institution – seeing it grow, prosper achieve high goals and also fail – never more than temporarily. This is not the time to donate our golden assets to a low bidder – we need to build our own program – own it - and secure a better health care future for the institution and the state.

We ask you to reject the corporate takeover of UConn Health Center and give your support to a great team of thinkers and doers at UConn to build a plan that really supports the mission and long term future. Support an effort to find ways to knock down the competition that drives bad health care decisions and supports collaboration and integration without corporate takeovers. We have a health care delivery region with lots of opportunity – if people could work together instead of absorbing enterprise into a soon-to-be unworkable health care monolith.

We don't need a complicated convoluted, uncertain governance structure to get this done – just good will and legislative support.

Thank you.